INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

No. 1373 — Washington, D. C. — February 9, 1952

Required Ceiling Price Reports

The number of inquiries reaching N.C.A. headquarters as to the mandatory reporting requirements of the various canned food pricing regulations indicates some confusion on the part of the industry as to just what reports are required to be filed and when.

Since the filing of reports is an integral part of the regulations and failure to do so constitutes a violation of the regulations, there are listed below the regulations about which the most confusion seems to exist. All canners should check their records to ascertain whether or not they have filed the required reports, and if they have inadvertently neglected to do so, should file them immediately.

The list of regulations with the reference to the appropriate sections follows:

CPR 22—Form 8—deadline December 19.

CPR 22, SR 17 (optional Capehart adjustment)—Form 100—Forms to be filed only if application for adjustment is made.

CPR 22, SR 18 (optional Capehart adjustment)—Form 105—Forms to be filed only if application for adjustment is made.

CPR 55—Form 66 "shall be mailed to the Office of Price Stabilization, Washington 25, D. C., within 5 days after such item is offered for sale hereunder or by September 1, 1951, whichever date is the later" (Sec. 19(b)).

CPR 55, Amendment 5—"If your gross sales of all items of processed fruits, berries, and vegetables were less than $40,000 during 1950, you may elect not to use this regulation, but if you so elect, sales of all such products remain under the General Ceiling Price Regulation. If you elect not to determine your ceiling prices under this regulation, you shall so inform the Office of Price Stabilization, Washington 25, D. C., including with such notice a list of your GCPR ceiling prices for all items of fruits, berries, and vegetables processed by you" (Sec. 1(a)).

CPR 56—Form 76 "shall be mailed to the Office of Price Stabilization, Washington 25, D. C., within 5 days after such item is offered for sale, or the ceiling price is recalculated or by September 1, 1951, whichever date is the later" (Sec. 19(b)).

CPR 56, Amendment 6—contains provision identical with that of Sec. 1(a) of CPR 55, Amendment 5.

CPR 75—Form 95 "shall be mailed to the Office of Price Stabilization, Washington 25, D. C., within 5 days after such item is offered for sale, or the ceiling price is recalculated" (Sec. 17).

GOR 20 (optional Capehart adjustment for small business)—Form 106—Forms to be filed only if application for adjustment is made.

GOR 21 (optional Capehart adjustment)—Forms 109, 110, 111, 112, and 113—Forms to be filed only if application for adjustment is made.

Renegotiation Board Offices

Regional offices of the Renegotiation Board have been established. They will be the principal points of contact for contractors in renegotiation proceedings. Location of the regional boards and the states assigned to each are:

Washington Regional Office, Rizik Bldg., 1737 L St., N. W.—Md., Va., W. Va., Ohio, Ky., Tenn., Ala., Ga., Fla., S. C., N. C., and Del. Chairman—Walter H. Dupka.

New York Regional Office, John Wanamaker Bldg., New York City—Pa., N. Y., N. J., Conn., R. I., Mass., Vt., N. H., and Me. Chairman—Howard B. Smith.

Chicago Regional Office, New Post Office Bldg., but will soon move to Old Post Office Bldg., Chicago—N. D., Minn., S. D., Nebr., Iowa, Kans., Mo., Okla., Tex., Ark., La., Ill., Ind., Wis., Mich., and Miss.

Los Angeles Regional Office, 5504 Hollywood Blvd., Los Angeles—Wash., Ore., Idaho, Calif., Mont., Wyo., Colo., Utah, Nev., Ariz., and N. M. Chairman—Hayward L. Elliott.

Senate Passes Bill Continuing Mexican Farm Labor Program

Legislation essential to the continuation of an orderly program for the authorization of Mexican nationals in agricultural employment received favorable Senate action on February 5. On that day the Senate passed and sent to the House S.1851 to assist in preventing aliens from entering or remaining in the United States illegally.

In presenting the bill to the Senate, Senator McFarland (Ariz.) characterized the measure as the "wetback bill." He pointed out that the contract under which Mexican nationals are recruited for agricultural employment expires on February 11 and that with Congressional approval of the legislation, it will be possible to obtain an extension of the expiration date. Senator Kilgore (W.Va.) advised the Senate that the bill had the support of the Department of Agriculture, the Immigration and Naturalization Service, and the national agricultural organizations. He indicated that the Senate passage of the measure might permit discussions to start looking toward the renewal of the present agreement with Mexico.

As passed by the Senate S.1851 would make it a felony punishable by a fine not exceeding $2,000 or imprisonment not exceeding 5 years, or

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Defense Production Act

A one-year extension of the Defense Production Act was proposed by Senator Maybank, Chairman of the Senate Committee on Banking and Currency, on February 5. He introduced S.2594 and announced that the Banking Committee would begin hearings on that bill on March 4.

S.2594 would extend the price stabilization and production control provisions of the Defense Production Act for one year following the presently-scheduled expiration date of June 30.

The Maybank bill does not reflect Administration views and was introduced, the Senator said, to create public confidence that the law will be extended.

DEFENSE

Legal Minimum Prices

Legal minimum prices for each of the major fruits, berries, and vegetables for processing as of January 15 are reported by BAE.

Fruits and Berries—Legal minimum prices for fruits and berries for processing are shown below. The legal minimum prices for May 15, 1951, are shown since that was the date for which state and area legal minimum prices were announced by USDA.

	Legal minimum, Jan. 15, 1951	Legal minimum, May 15, 1951	Legal minimum, Jan. 15, 1952
Fruits for canning:	(dollars per ton)		
Apples	67.20	69.70	66.90
Apricots	101.00	104.00	101.00
Cherries, sour	(a)	233.00	(a)
Cherries, sweet	(a)	306.00	(a)
Cranberries (bbl.)	(a)	18.40	(a)
Figs	140.00	145.00	139.00
Peaches, clingstone	71.80	74.20	73.80
Peaches, freestone	59.30	66.60	67.20
Pears	89.20	90.80	91.80
Plums	65.80	55.80	56.50
Prunes	62.00	63.40	62.90
Olives	302.00	313.00	284.00

(a) Not reported.

	Jan. 15, 1951	May 15, 1951	Jan. 15, 1952
Berries for processing:	(cents per pound)		
Blackberries	13.6	14.1	14.5
Boysenberries	13.3	13.8	14.0
Gooseberries	11.1	a11.1	9.7
Loganberries	13.6	14.1	14.4
Raspberries, black	20.9	21.7	21.1
Raspberries, red	20.1	20.9	20.5
Strawberries	22.3	22.3	22.5
Youngberries	13.1	13.5	13.9

a The legal minimum for gooseberries on May 15, 1951, was reported as "derived". The legal minimum for gooseberries on June 15, 1951, was revised to be 9.6 cents.

Vegetables—The state and area legal minimum prices for vegetables for processing were announced by USDA as of January 15, 1951. The following table compares the legal minimum prices on the same date a year apart and shows the increase or decrease compared with a year ago.

Vegetables for processing:	Legal minimum Jan. 15, 1951	Legal minimum Jan. 15, 1952	Increase
	(dollars per ton)		(dollars)
Asparagus	205.00	212.00	7.00
Beans, lima	152.00	158.00	1.00
Beans, snap	122.00	127.00	5.00
Beets	23.80	24.30	0.50
Cabbage	16.80	16.70	—0.10
Corn	22.70	23.90	1.20
Cucumbers (bu.)	1.63	1.62	—0.01
Peas	99.00	102.00	3.00
Pimientos	71.50	74.60	3.10
Spinach	58.50	59.10	0.60
Tomatoes	31.30	32.70	1.40

Call for 1952 Directory Copy

Canners are asked to examine the forms for the 1952 *Canners Directory*, to make necessary corrections and changes that are needed to bring their *Directory* listings up-to-date, and to return these forms to the Association promptly, in the self-addressed envelopes provided.

Canners have been supplied the paragraphs showing firm name, address, plant locations and products, as they appeared in the 1951 edition, on a form designed to permit correction.

It is calculated that an earlier publication of the *Directory* will greatly benefit the industry. It will mean that the *Directory* can be placed in the hands of brokers and other marketing outlets at a time that will facilitate year-'round buying of canned foods.

Canners also are asked to advise the Association of the existence or operation of any canning firm not listed in the 1951 *Directory*.

Mexican Farm Labor Program

(Concluded from page 97)

both, for each alien illegally brought into the United States, or for knowingly or wilfully concealing an alien, or knowingly or having reasonable grounds to believe that a person is an alien, transporting him within the United States. The measure would give the Immigration and Naturalization Service additional authority to apprehend illegal aliens.

MEETINGS

New Jersey Farmers Week

Dr. H. L. Stier, Director of the N.C.A. Division of Statistics, spoke February 1 before the New Jersey State Horticultural Society on "What Does the Canning Industry Have to Offer New Jersey Vegetable Growers?" The February 1 session of the Horticultural Society was the last in a series of week-long programs constituting the 1952 New Jersey Farmers Week.

Dr. Stier pointed out that the canning industry today is in a very strong competitive position and discussed the factors which made it possible for the average consumer to buy today with a week's wages about one-third larger volume of canned fruits and vegetables than could be purchased with a week's wages five years ago, despite sharp increases in the cost of labor and materials used in canning. He presented charts showing the trend in retail prices of canned fruits and vegetables compared with the cost of living and prices of all foods.

New Products Display

A special "new products display" will be a feature of the annual meeting of the Institute of Food Technologists in Grand Rapids, Mich., June 10. Eligible for display will be consumer food products, or new or improved foods for institutional use, that have not been in general distribution prior to January 1, 1951.

Dr. Franklin C. Bing, 30 West Washington St., Chicago 2, Ill., is in charge of arrangements for this display.

Forthcoming Meetings

February 11-12—Tennessee-Kentucky Canners Association, 31st Annual Meeting, Hermitage Hotel, Nashville

February 14-15—Ozark Canners Association, 44th Annual Convention, Colonial Hotel, Springfield, Mo.

February 29-March 1—Virginia Canners Association, 44th Annual Convention, Hotel Roanoke, Roanoke

March 3-5—National Preservers Association, Annual Meeting, Congress Hotel, Chicago

March 3-7—National Association of Frozen Food Packers, Annual Convention, Hilton Hotel, Chicago

March 6-7—Utah Canners Association, 40th Annual Convention, Hotel Utah, Salt Lake City

March 13-14—National Canners Association, Northwest Branch, 15th Annual Salmon Cutting and Research Conference, Olympic Hotel, Seattle

March 13-14—Northwest Canners Association, Annual Meeting, Gearhart Hotel, Gearhart, Ore.

March 17-18—Canners League of California, Annual Directors Conference, Santa Barbara

March 19-21—Tri-State Packers Association, Spring Meeting and Canners School, Lord Baltimore Hotel, Baltimore, Md.

April 1—Wisconsin Canners Association, Food Technology Conference, Babcock Hall, University of Wisconsin, Madison

April 1-4—American Management Association, 21st National Packaging Exposition, Auditorium, Atlantic City, N. J.

April 2—Wisconsin Canners Association, Canners Safety Institute, Loraine Hotel, Madison

April 10—Indiana Canners Association, Spring Meeting, Claypool Hotel, Indianapolis

June 9-10—Michigan Canners Association, Spring Meeting, Park Place Hotel, Traverse City

November 3-4—Iowa-Nebraska Canners Association, Hotel Fort Des Moines, Des Moines

November 10-11—Wisconsin Canners Association, 48th Annual Convention, Schroeder Hotel, Milwaukee

November 20-21—Indiana Canners Association, Annual Convention, French Lick Springs Hotel, French Lick Springs

December 1-2—Michigan Canners Association, Fall Meeting, Pantlind Hotel, Grand Rapids

PUBLICITY

Radio Broadcasts Favorable to Canned Foods

A number of recent radio broadcasts have included comment favorable to canned foods, much of it derived from the press releases always issued in volume at Convention time. Resumé of such broadcasts that have been reported to the Association follows:

Jan. 9, WLIZ, Bridgeport, Conn. (Connie Parks on "Listen Ladies")—Comment that the wife of the new ambassador to Turkey packed a year's supply of canned foods, especially baby foods.

Jan. 10, WOR, New York, N. Y. ("The McCanns at Home")—Comment that canned vegetables are less expensive than fresh.

Jan. 10, WNBC, New York, N. Y. ("The Answer Man")—Comment that it is safe to keep food in the can, because the inside of a can is kept sterile.

Jan. 15, WQXR, New York, N. Y. (Alma Dettinger)—Comment that food poisoning from commercially canned foods is unlikely, and that no chemical change either in food or container can take place unless the can has been maltreated.

Jan. 15, WMGM, New York, N. Y. (Carlton Fredericks)—Comment that cans labeled Grade B or C are so indicated only because of harmless blemishes, do not denote less nutrition, and that Grade C canned foods are an excellent purchase.

Jan. 19, WOR, New York, N. Y. ("The McCanns at Home")—Comment that canned vegetables furnish economy of purchase and menu variety.

Jan. 22, WFIL, Philadelphia, Pa. (Mary and Howard Jones)—Comment on essentiality of canned foods to the nation; their economy on the marketplace, their importance to the housewife under defense situations, the size and importance of the Canners' Convention.

Jan. 22, WJZ, New York, N. Y. (Dean Cameron)—Comment that canning industry business and production methods result in cheaper foods.

Jan. 22, WMGM, New York, N. Y. (Carlton Fredericks)—Comment on retention of nutritive values and longevity of canned foods.

Jan. 23, CBS Network (Don Hollenbeck News)—Comment on size and importance of Convention, essentiality of canned foods to defense, performance of the industry in war and peace, good performance of canned foods pricewise.

Jan. 23, WOR, New York, N. Y. ("The McCanns at Home")—Comment on business character of the annual Convention, size and importance of the gathering.

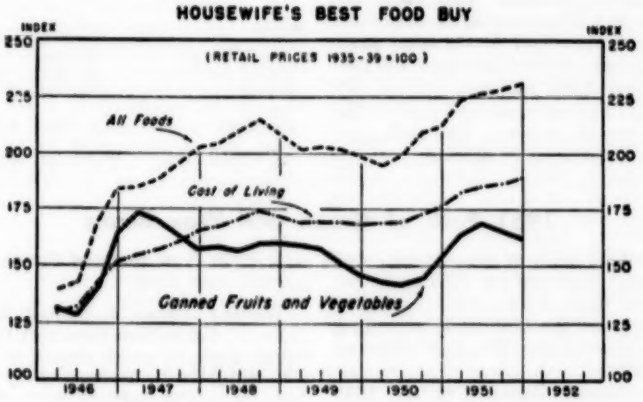
Jan. 24, WILL, Champaign, Ill. ("For You at Home")—Comment that cost of canning has risen but canned food prices have declined.

Canned Foods Are the Housewife's Best Buy

The story of the favorable price showing of canned fruits and vegetables was distributed by N.C.A. yesterday to about 400 metropolitan dailies, specially directed to the business editors, and to about 50 wire and radio news services and syndicates. Accompanying the story was a mat of a chart showing the retail price index position of all foods, all cost of living items, and the more favorable position of canned fruits and vegetables. Distribution also was made to the trade journals.

Text of the story, jointly prepared by the Information and Statistics Divisions, is given below, as well as reproduction of the price chart. This story, revised and pointed to women food editors and home economists, was sent out also by the Home Economics Division to more than 1,000 food editors.

HOUSEWIFE'S BEST FOOD BUY



Washington, D. C. (Feb. 8, 1952)—Although the cost of living gets higher each month, retail prices of canned fruits and vegetables are falling, and today are the housewife's best food buy, according to the National Canners Association. Their statisticians show in this chart, based on reports of the U. S. Bureau of Labor Statistics, that retail prices of canned fruits and vegetables have dropped 8 index points since June, 1951. According to BLS data, retail prices of canned fruits and vegetables have risen only 63 percent since prewar, while prices of other foods have risen twice as much.

The average worker's weekly wage today will buy about 35 percent more canned fruits and vegetables than five years ago. The BLS cost of living index at the close of 1951 was 189, while the retail price index for canned fruits and vegetables was only 163. The index for all foods was 232. The preliminary January 15 Index of Retail Food Prices just released by the Bureau of Labor Statistics reported a further decline of 0.4 percent in canned fruits and vegetables from a month earlier.

Parade Magazine

Canned green beans and tuna were the features in the food article in *Parade* magazine of January 20.

The article entitled "Budget-Stretcher" by Beth Merriman, food editor, said, "Right now canned green beans are a good buy. Use them as a delicious and healthful 'stretcher' for high-priced foods."

An attractive photograph showing the completed dishes carried the caption, "Two sea food dishes, one hot, one cold, made with canned green beans and tuna, are easy on budgets." Step-by-step preparation photographs also accompanied the article. Canned condensed soup was used as the sauce base in the tuna and green bean casserole.

STATISTICS

1951 Tomato Pack

The 1951 pack of canned tomatoes amounted to 27,672,399 actual cases, exceeding the 1950 pack of 18,724,350 cases by 48 percent, according to a report by the N.C.A. Division of Statistics.

The pack in California increased 110 percent over 1950, in Indiana 103 percent, and in Virginia and West Virginia 48 percent. Together, California and Maryland again accounted for more than half of the total pack.

The pack of 303's increased 136 percent over 1950, the pack of No. 10's was up 79 percent, and the pack of No. 2½'s rose 64 percent. The 1951 pack of No. 2's was up 28 percent.

1951 Tomato Pack by States

State	1950 (actual cases)	1951 (actual cases)
New York	376,078	513,473
Maryland	6,371,352	7,582,130
Delaware	197,429	110,188
New Jersey	284,125	288,374
Pennsylvania	619,533	771,886
Va., & W. Va.	1,059,784	1,568,664
Ohio	900,482	1,712,675
Indiana	1,478,705	2,995,972
Tenn. & Ky.	209,075	275,919
Ozarks	587,774	986,061
Colorado	150,598	157,949
Utah	507,217	662,529
California	3,569,916	7,496,030
Other states	2,412,282	2,550,549
U. S. Total	18,724,350	27,672,399

1951 Tomato Pack by Container Size

Container Size	1950 (actual cases)	1951 (actual cases)
24/2	10,262,199	13,125,598
48/8Z	10,444	150,368
48/1P	948,475	1,035,479
24/303	920,111	2,169,241
24/2½	3,390,605	5,574,873
6/10	2,932,942	5,250,151
Misc. tin & glass	259,574	366,689
U. S. Total	18,724,350	27,672,399

1951 Pack of Green and Wax Beans

The 1951 pack of green beans was 5 percent less than the 1950 pack, but the 1951 pack of wax beans was up 29 percent over the 1950 pack, according to a report by the N.C.A. Division of Statistics.

The largest decrease in the 1951 pack of green beans occurred in the Ozarks, down 43 percent from a year ago, and in Texas, down 64 percent. The Oregon pack was 13 percent higher than a year ago. Maryland and Delaware combined were down 3 percent. Wisconsin's pack was up 5 percent and New York up 7 percent.

The wax bean pack increased in all of the states which are major packers of this commodity. New York, the largest packer of wax beans in 1951, was up 31 percent over 1950. The pack in Wisconsin was up 21 percent and in the New England States up 50 percent over 1950.

Western states accounted for 37 percent (6.4 million cases) of the national pack of green beans in 1951. The Mid-Atlantic States and the South were in second position with 20 percent (3.5 million cases) of the total pack.

Of the 1951 pack, 30 percent were Fancy cut, 26 percent Extra Standard, and 21 percent Standard. French-style accounted for 12 percent and whole beans the remaining 11 percent.

The Northeast was the largest packer of the wax beans with 47 percent (1.2 million cases) of the U. S. total. The Midwest followed with 32 percent (819 thousand) cases.

1951 Pack of Green and Wax Beans

State	Green 1950 (actual cases)	Green 1951 (actual cases)	Wax 1950 (actual cases)	Wax 1951 (actual cases)
Maine, Vermont and Massachusetts	238,602	234,269	319,000	480,230
New York	1,608,916	1,724,144	552,146	721,366
Maryland and Delaware	3,160,220	3,059,686	79,660	113,934
Pennsylvania	433,575	421,381	101,106	172,249
Michigan	523,295	566,642	186,682	205,168
Wisconsin	1,280,901	1,340,807	487,231	588,849
Iowa and Nebraska	(a)	(a)	(a)	(a)
Kentucky and Tennessee	1,039,482	928,485	.....	.....
Arkansas, Missouri, and Oklahoma	2,630,621	1,506,078	(a)	54,881
Texas	962,627	345,048	.....	(a)
Colorado	328,253	355,174	105,456	125,586
Utah and Idaho	394,469	288,367	(a)	(a)
Washington	757,075	918,977	(a)	(a)
Oregon	3,537,870	3,981,996	(a)	(a)
California	731,792	817,818	.....	.....
Other states	608,120	823,014	146,256	83,735
U. S. Total	18,235,818	17,320,976	1,977,537	2,545,998

(a) Included in other states.

Stocks and Shipments Of Canned Vegetables

Reports on canners' stocks and shipments of canned green and wax beans and canned corn have been issued by the N.C.A. Division of Statistics.

Green and Wax Bean Stocks and Shipments

	1950-51 (actual cases)	1951-52 (actual cases)
Carryover, July 1	1,619,626	1,395,850
Pack	20,213,355	19,866,974
Total supply	21,832,981	21,262,824
Stocks, Jan. 1	10,847,089	11,168,844
Shipments, July 1 to Jan. 1	10,985,892	10,093,980

Canned Corn Stocks and Shipments

	1950-51 (actual cases)	1951-52 (actual cases)
Carryover, Aug. 1	6,466,680	373,375
Pack	21,645,243	30,188,540
Total supply	28,111,923	30,561,915
Stocks, Jan. 1	14,302,020	13,440,677
Shipments during Dec.	1,686,401	2,604,820
Shipments Aug. 1 to Jan. 1	13,809,903	17,121,238

Poultry Canned in 1951

The quantity of poultry canned or used in canning during the year 1951 totaled 170,774,000 pounds, the largest of record, it is reported by the Bureau of Agricultural Economics. The 1951 production was 12 percent above the 152,049,000 pounds produced in 1950, the previous record year. The 1949 production was 128,231,000 pounds and the 1948 total was 146,993,000 pounds.

Poultry Canned in U. S.[a]

(Dressed Weight)

Month	1950 (pounds)	1951[b] (pounds)
January	12,064,000	17,379,000
February	11,293,000	14,370,000
March	12,938,000	17,425,000
April	10,715,000	16,382,000
May	13,014,000	17,103,000
June	13,196,000	14,902,000
July	10,296,000	12,325,000
August	15,233,000	14,060,000
September	9,956,000	9,898,000
October	15,948,000	13,626,000
November	13,388,000	10,789,000
December	14,008,000	12,515,000
Total	152,049,000	170,774,000

[a] In all plants, inspected and others.
[b] Preliminary.

MARKETING

Problems Facing the Broker Marketing Canned Foods

Marketing problems of brokers was the subject of a special session of the National Food Brokers Association January 17, during the recent Atlantic City Convention, and two leading canners appeared as speakers. Title of the session was "The Challenge Confronting the Brokers Today" and respected speakers dealt with problems of marketing specialties: drugs, candy and housewares; canned foods; all followed by a general presentation of what a manufacturer expects from his brokers.

The papers on "Problems Facing the Broker Marketing Canned Foods," were presented by Howard T. Cumming, president, Curtice Brothers Co., Rochester, N. Y., and E. A. (Woody) Meyer, vice president, Eastern Division, Richmond-Chase Company, San Jose, Calif. These papers are reproduced below:

By Howard T. Cumming

It is a pleasure to be here with you and as a canner speak to *you our salesmen* and *through you* to our customers. This subject of the brokers' problems in marketing canned foods is an old one and *it*, and all its phases, has been discussed so many times that it would seem as if the answers to every problem should be crystal clear. But with the changes that are always taking place it is essential, if we hope to keep up to date, that we become aware of new problems and reconsider old ones as they take on new aspects under constantly changing conditions.

I want to touch on the specific problems, the answers to which are *not* crystal clear, and on which we may have an honest difference of opinion. Before doing so let me say that in my own business all of our selling, except for a small volume which is done from our principal office, is done through brokers. That is the best evidence that I can give you as to our faith in that system of selling canned foods and I hope you will remember it if you are inclined to differ with my point of view in some respects.

We sometimes have occasion to ask ourselves, "When is a sale completed to a point where the brokerage is earned?" It is our custom and that of most other canners that I know of, to consider the brokerage earned and payable when an order is billed. And insofar as a *spot sale* is concerned that is all right. Then we receive an order—confirm, ship and *bill* it, all within a few days' time. But when we sell futures—and particularly with a final billing date—it is a different story. And a substantial volume of such future sales are prebilled on some predetermined final billing date, and then shipment delayed for weeks or even months. Is the brokerage earned when that unshipped merchandise is billed or when it is ultimately shipped? A sound argument may be made that it isn't earned until the goods are both billed *and* shipped. If it could be accepted as a fact that the buyer has completed his obligation when he pays for the goods *or* that the canner should be satisfied to receive payment for them regardless of when shipped, then no problem would be presented. But the truth is that it is highly important that a canner get his warehouse emptied well ahead of a new pack. Most canners are short of warehouse space and of necessity need every square foot for the oncoming pack. Then, too, every canner maintains a skeleton force during the winter months and that force should be used for labeling and shipping. After production starts, shipping to the trade must be reduced to the very minimum that will satisfy the most urgent needs of customers.

Now these facts are pretty well known and generally accepted by everyone concerned, canner, broker and customer. The difficulty arises from the failure of the broker *at times* to be sufficiently understanding of and sympathetic with the canners' warehousing and shipping problem. We canners understand, of course, that a distributor's stock doesn't always move out on a predetermined schedule —and that it is possible for a buyer to overstock. A buyer, as well as a canner, has a warehouse problem at times. It isn't always possible for a buyer to accommodate a canner, regardless of how sincerely he may desire to do so. But certainly the interests of the two are going to be better served if the broker conveys to the buyer *with conviction* the urgency the canner has to move his goods, particularly after they have been carried well into the year following the pack. It is recognized that in respect to the movement of canned foods there is a continuous but natural and perfectly proper conflict of interest between canner and buyer. The canners want to ship at the earliest possible date and the buyer wants to spread his deliveries as nearly as possible over the entire twelve months as they go into consumption. The broker stands *between* as attempting to adjust these conflicting interests. His worth to all of us, *including himself*, will be measured to some extent by the success he has in conveying to both canner and buyer the other fellow's point of view fairly and forcefully and generating a movement of merchandise that can be economically sound and in the interest of all concerned. There are those who will say it is unnecessary to pressure the broker by withholding brokerage until final *shipment* is made, even though the goods may have been billed and paid for. On the other hand, considering the importance to the canner of securing early shipment it can be successfully maintained that a sale is not completed until the goods are shipped and that until the broker has played his full part in completing the sale through securing shipping instructions, he may not have earned his full brokerage.

Gentlemen, I'm sure this suggestion isn't going to revolutionize over night any established trade practices—it may not even alter our own procedure —but I suggest that it is a way in which you can help to bring canner and customer a little closer together and that I'm sure is your constant aim.

You will excuse me, I hope, if I make a very commonplace statement. Mutual confidence between those participating in a sale is the best insurance there is that that sale will be successfully consummated. I refer to that commonplace because it bears on a point I wish to make and I believe it suggests the answer to what may be one of our partially unsolved problems. We find, and I know other canners have found the same thing, that some of our brokers take exception to our having contact with our customers unless they, or their representative, are present. They feel that if our sales manager, or anyone else representing headquarters, goes into a territory he should always take his broker with him when he calls on his customers. They sometimes feel there is no need for a company representative in their territory, other than retail or specialty men. I think this is a mistaken point of view and that there is no occasion for it when the proper relationship exists between canner, customer and broker. I realize, of course, that a broker's greatest asset is the good will and support of the buyer. It is that which he offers to a canner and it is that which enables him to secure business for a canner. It is essential he protect that asset in every reasonable way. But I believe that if there is the necessary degree of confidence between broker and principal that the principal calling on his customers in no way threatens that relationship and on the other hand can often strengthen it. Certainly I want my salesman, my broker to stand ace high with every customer and I'm going to do everything in my power to bring that about. There are times, too, when a buyer desires to see his supplier alone and for perfectly good and sound reasons and that desire should be respected. It should never be forgotten that the basic relationship is between canner and customer and that must be preserved at all costs. While I'm sure personalities

play an important part in selling, I try never to forget that our customers buy from us because of our total performance over the years; they buy from our full team of which my broker and I are but two members, no matter how important and how valuable we may be. So I suggest that as canner and broker we earnestly strive to develop that degree of mutual confidence in each other—and strive even harder to deserve it—that will permit us to operate freely with our customers—your customers and ours; they are one and the same.

By E. A. Meyer

I'd like my discussion to cover three phases, which I hope will provoke some thought.

First, all good canners and good brokers try, as far as possible, to keep from handling competitive accounts. Yet today with so many consolidations and changes occurring, the problem is always with us.

I realize it has caused you a lot of concern. It has also caused us canners a lot of concern, and there is no easy yes or no answer. When one company buys out another—when a merger takes place—or somebody adds an additional line to their products, then you have a conflict. I have one suggestion as far as I am personally concerned that I believe would in the main be recommended by all canners: Whenever that occurs, let's put the cards right on the table face up and frankly discuss it. Don't you as a broker try to get away with something and think you can do that for years and years and years, and that we can't and won't find it out. By the same token, we canners should very frankly lay the problem on the table, discuss it, see what can be done about it, and work it out to the best advantage and best interests. That isn't a complete solution but it will go a long way towards saving a lot of embarrassing situations and problems.

If I go into a market and call on a buyer, I would like to know before I call on that buyer just exactly what the relationship is. I wouldn't like to start bearing down on one subject or one commodity and then find when I leave the room that I have placed my broker or the buyer in a very embarrassing position. I recommend that we be very frank with each other, and I think you will find we canners reasonable as we have found you brokers reasonable.

The second problem I should like to discuss with you I consider the greatest problem facing the canning industry today. That is, to keep merchandise so it can be on the shelves all the time. With the restrictive buying that goes on—the inventory controls—how to keep stock on the shelves 12 months in a year becomes one of our big problems. When a California canner is 3,000 miles away from his market, the problem is more difficult than when the manufacturer is nearby.

There is need for you to be fully acquainted with the product you are selling, to have all necessary details of information when you call on your buyer. There is a field of disagreement here, but I certainly think that buyers today and today's method of distribution demand that we—salesmen and brokers who call on these buyers—have full information at our fingertips to meet the questions they ask, factually and specifically.

When a buyer asks my broker—what is your price f.o.b. dock?—I want the broker to be in a position to name that price. When he asks him—what is your price f.o.b. New York?—or—what is your price f.o.b. Baltimore?—I don't like to see my broker leaf through a book and say, "Now, wait a minute, the freight rate is so much, this case weighs so much, that is so much it adds up to ——." I want him to be ready to say, "It is so many cents per dozen," period.

When the buyer asks when he got his last shipment, I want my broker to be able to tell him. How much is in transit? So much is in transit. When can I get another shipment? How much have you got in consignment? The answers to these questions I think should be at the broker's fingertips when he calls on buyers.

You may say these are small items—minor details. I think they are more important than a lot of us realize. I think we should be definite, even though it means a lot of work to retain everything—all the sizes, containers and everything else. I am convinced it will pay extra dividends.

The third problem I cannot emphasize too strongly. That is, to bring young men into your organization to perpetuate your businesses.

I have seen some very fine brokerage organizations go out of existence because there were no young men being properly trained to carry on the business. Yours, after all, is a personalized business, and personnel is important. You may say, yes, we get them and train them; then they leave us. I know that just as well as you do. We have it in the canning business, but you probably have it more because yours is a personalized business. Nevertheless, I think you can well afford to put some real time and effort on trying to train some young men to carry on your business, and it will profit you in the long run.

PROCUREMENT

Orange Juice for USDA

Purchase of 181,825 cases of No. 3 cylinder cans of concentrated orange juice (3 to 1 ratio) for distribution to school lunch programs and other eligible outlets was announced February 6 by USDA.

The purchase was made at an average price of $6.65 per case, the equivalent of $1.54 per gallon. This is the commodity cost, f.o.b. shipping point, and does not include transportation to destination.

The purchase, made in Florida, is equivalent to 784,120 gallons, and was made from funds authorized under Section 32 of Public Law 320, 74th Congress, to widen the market outlet for agricultural commodities available in quantities which are burdensome to their producers.

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